



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 10, 2002

H.R. 4073

An act to amend the Microenterprise for Self-Reliance Act of 2000 and the Foreign Assistance Act of 1961 to increase assistance for the poorest people in developing countries under microenterprise assistance programs under those Acts, and for other purposes

As reported by the Senate Committee on Foreign Relations on October 8, 2002

SUMMARY

H.R. 4073 would authorize the appropriation of \$175 million in 2003 and \$200 million in 2004 for grants and credits to microenterprise development programs, or programs that would provide access to financial services to poor persons in developing countries. The act would place emphasis on assistance to persons living within the bottom 50 percent below a country's poverty line or living on less than the equivalent of \$1 per day. CBO estimates that implementing H.R. 4073 would cost \$328 million over the 2003-2007 period, assuming the appropriation of the authorized amounts. The act would not affect direct spending or revenues.

H.R. 4073 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4073 is shown in the following table. The estimate assumes this legislation will be enacted near the beginning of 2003, that the specified amounts will be appropriated before the start of each fiscal year, and that outlays will follow historical spending patterns. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Microenterprise Assistance Programs						
Budget Authority ^a	155	0	0	0	0	0
Estimated Outlays	131	118	66	34	18	10
Proposed Changes						
Authorization Level	0	175	200	0	0	0
Estimated Outlays	0	23	91	113	67	34
Spending Under H.R. 4073 for Microenterprise Assistance Programs						
Authorization Level ^a	155	175	200	0	0	0
Estimated Outlays	131	141	157	147	85	44

a. The 2002 level is the amount appropriated for that year.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4073 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On May 1, 2002, CBO transmitted an estimate for H.R. 4073 as ordered reported by the House Committee on International Relations on April 25, 2002. The two versions of the legislation are identical, as are the two estimates.

ESTIMATE PREPARED BY:

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